Government of Saskatchewan

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending May 16, 2014

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
May 16/2014	Average	**$229.75**	**$232.13**	**$229.00**	**$213.75**	**$197.33**	**$179.25**	
May 16/2014	Range	$219-257	$220-248	$215-243	$203-226	$189-212	$170-190	
Week/Week	Change	**$3.58**	-$1.50	**$5.33**	-$2.55	**$2.83**	-$0.13	
May 9/2014	Average	**$226.17**	**$233.63**	**$223.67**	**$216.30**	**$194.50**	**$179.38**	**$162.17**
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
May 16/2014	Average	**$206.75**	**$211.83**	**$204.00**	**$193.67**	**$179.13**	**$165.38**	
May 16/2014	Range	$200-225	$203-225	$195-220	$185-212	$168-193	$158-176	
Week/Week	Change	-$4.50	**$0.50**	**$0.30**	-$1.30	**$2.03**	**$3.50**	
May 9/2014	Average	**$211.25**	**$211.33**	**$203.70**	**$194.97**	**$177.10**	**$161.88**	

Source: Canfax.

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

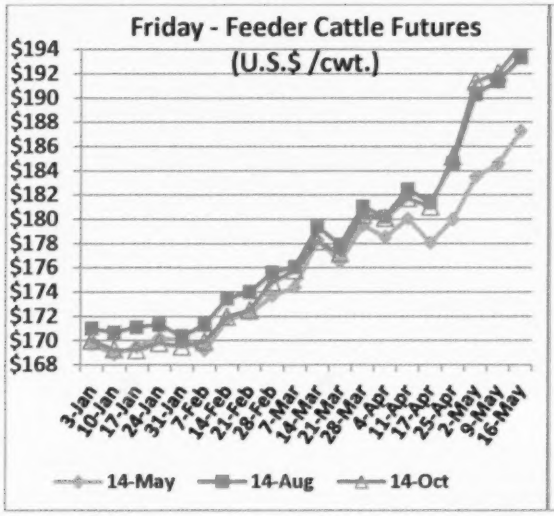
Canfax reported that a total of 6,682 head of cattle were sold in Saskatchewan this week, down from 6,908 head marketed the previous week. Saskatchewan and Alberta weekly sales volumes were lower than the previous week. Feeder cattle prices continued the spring rally as tight feeder cattle supplies pushed most weight category prices higher.

Saskatchewan feeder steer prices were mixed over the week. Feeder steer prices ranged from a decrease of $2.55 per cwt to a $5.33 per cwt increase, from the previous week. The biggest gains were in the 500-600 lb. weight category which increased by $5.33 per cwt. The 600-700 lb. weight category showed the largest loss of $2.55 per cwt over the week. New all-time high record prices were set in the 300-400 lb., 500-600 lb., and 700-800 lb. feeder steer weight categories.

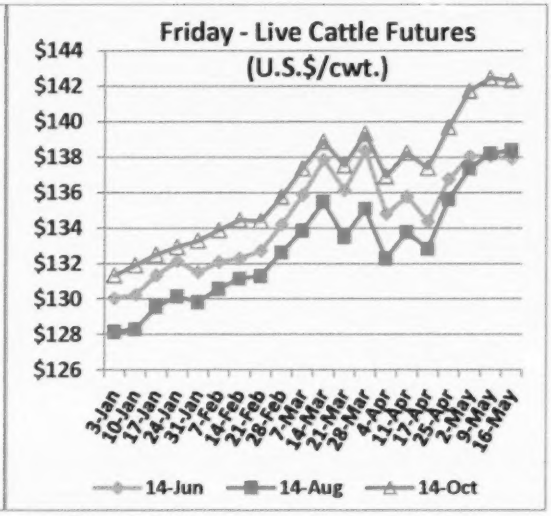
Feeder heifer prices were mostly higher over the week. The heaviest feeder heifer category, 800 lb.and over showed the highest gains of $3.50 per cwt to average $165.38 per cwt while the lightest feeder heifer category, 300-400 lb. averaged $4.50 lower this week at $206.75 per cwt. Feeder heifers in all weight categories excluding 300-400 lb. and 600-700 lb. reached new all-time high record prices.

The Saskatchewan 750 lb. feeder steer basis compared to the May 15, 2014 U.S. feeder cattle index at US$187.18 per cwt was calculated at -$5.88 per cwt (US$187.18/0.9211- $197.33), a basis widening of $1.30 per cwt from -$4.58 per cwt on May 8, 2014.

Feeder cattle futures prices moved higher from the previous week. The May to October 2014 contracts increased US$2.725 and US$2.325 per cwt, week-over-week. The May contract settled Friday at US$187.300 per cwt, while the October contract settled the week at US$194.375 per cwt. The May to November 2014 feeder cattle futures contracts all established new all-time high record prices over the week.



Source: CME



Source: CME

Live cattle futures prices were mixed this week. The June and October 2014 contracts decreased US$0.150 per cwt, week-over-week. The nearby June contract settled Friday at US$137.900 per cwt, and the October contract settled the week at US$142.300 per cwt. The August 2014 contract did see an increase of US$0.175 per cwt to settle the week at US$138.375 per cwt.

Iowa cash corn prices and the nearby corn futures were lower over the week. The Iowa cash price on Friday was US$4.58 per bushel, down 22 cents from US$4.80 per bushel the previous Friday. The May corn futures contract expired Wednesday at US$4.94 per bushel a decrease of just over 10 cents. The July contract was down 24 cents to settle Friday at US$4.83 per bushel and the September contract also saw a decrease of 20 cents to close Friday at US$4.81.

Fed and Non-fed Cattle

	May 16	May 9	Change
Cows (Alberta)			
D1,2 Live	109.25	108.10	+1.15
D3 Live	97.08	96.33	+0.75
Rail	206-211	205-210	+1.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were overall higher over the week establishing new all-time high record prices with D1,2 slaughter cows increasing $1.15 per cwt to average $109.25 per cwt, while the price of D3 slaughter cows also increased $0.75 to average $97.08 per cwt.

Fed cattle prices in Western Canada were lower this week, returning to prices seen the week of May 2. Fed steer prices in Alberta were reported at $148.03 per cwt, down $2.50 per cwt from $150.53 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$146.43 per cwt, down US$1.77 per cwt from US$148.20 per cwt the previous week, and up 16.8 per cent from US$125.39 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$233.91 per cwt, down US$2.51 per cwt from US$236.42 per cwt the previous week, but up 16.5 per cent from US$200.72 per cwt the same week a year ago.

Choice beef cutout prices (600-900 lb.) averaged US$225.34 per cwt, down US$1.23 per cwt from US$226.57 per cwt the previous week, but up 8.6 per cent from US$207.49 per cwt the same week a year ago. Beef production for the week averaged 465.7 million lb., down 1.3 per cent from 471.6 million lb. the previous week, and down 8.5 per cent from 508.9 million lb. the same week a year ago. Cattle slaughtered over the week totaled 591,000 head, down 1.5 per cent from 600,000 head the previous week, and down 9.6 per cent from 654,000 head the same week a year ago.

On May 16, 2014, the United States Department of Agriculture (USDA) released the monthly *Cattle on Feed Report* for April 1, 2014.

May 1, 2013 and 2014, Cattle on Feed (in U.S. feedlots with 1,000+ capacity)

	2013	2014	Per cent of previous year
On feed April 1	10,924,000	10,873,000	100.0
Placed during April	1,720,000	1,636,000	95.1
Marketed during April	1,815,000	1,778,000	97.9
Other disappearance during April	69,000	83,000	120.3
On feed May 1	10,760,000	10,648,000	98.9

Source: USDA

The USDA Cattle on Feed (COF) report indicated that the number of cattle placed on feed in April 2014 was 1.636 million head, down 4.9 per cent from April 2013, and down 9.5 per cent from 1.808 million head in March 2014. The number of fed cattle marketed in April 2014 was 1.778 million head, down 2.1 per cent from 1.815 million head in April 2013, but up 7.1 per cent from 1.660 million head marketed in March 2014. The cattle on feed for May 1, 2014 were estimated at 10.648 million head, 1.1 per cent below the May 2013 inventory numbers, and 2.1 per cent below the April 2014 numbers. The cattle on feed report showed lower April placements and cattle on feed as of May 1 which was expected by industry. The high cost to procure feeder

cattle, heifers being retained for breeding, tight supply numbers, as well as producers concerned with the weather and seeding progress across many regions in the US has driven placements and total number of cattle on feed smaller.

Friday Price Information

Product		This Week (May 16)	Week of: (May 9)
Canadian Dollar (closing rate US$)		0.9211	0.9178
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		187.18	182.72
Seven-day Weighted Average FC Index Wt. (lb.)		759	763
Live Fed 5-area Steer Price (US$ per cwt)		146.43	148.20
Feed Grains			
Barley	Lethbridge ($/tonne)	218.00	210.00
	($ per bu.)	4.75	4.57
Corn	Iowa State Average (CDN$/tonne)*	195.75	205.89
	(US$ per bu.)	4.58	4.80
	Omaha, NE (CDN$/tonne)*	201.30	215.33
	(US$ per bu.)	4.71	5.02
Futures			
	May Corn (US$ per bu.)*expiry	4.94 ¾	5.05
	July Corn (US$ per bu.)	4.83½	5.07½
	Sept Corn (US$ per bu.)	4.81¼	5.01½
	June Live Cattle (US$ per cwt)	137.900	138.050
	August Live Cattle (US$ per cwt)	138.375	138.200
	May Feeder Cattle (US$ per cwt)	187.300	184.575
	August Feeder Cattle (US$ per cwt)	193.325	191.375

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate (This week it is Thursday's CDN$)

For more information contact:

Kim McLean, PhD, PAg
Provincial Cattle Specialist
306-787-4675
kim.mclean@gov.sk.ca